

**MINUTES of SERS Board Meeting – Thursday, March 25, 2021**

**CALLED TO ORDER: 4:05 p.m. by Chair David R. Fillman**

**MICROSOFT TEAMS MEETING/LIVESTREAM**

**ATTENDEES:**

**Members and Designees**

David R. Fillman – Chairperson

Dan B. Frankel

Stacy Garrity

Gregory K. Jordan

Paul Schemel

Mary A. Soderberg

Gregory C. Thall

James Bloom – Designee for Secretary Richard Vague

Susan Boyle – Designee for Representative Paul Schemel

Lloyd Ebright – Designee for Treasurer Stacy Garrity

Charles Erdman – Designee for Senator John M. DiSanto

Alan Flannigan – Designee for Secretary Richard Vague

Matt Lindsay – Designee for Senator Vincent J. Hughes

Toni Marchowsky – Designee for Senator Vincent J. Hughes

Dan Ocko – Designee for Representative Dan B. Frankel

Patrick Shaughnessy – Designee for Representative Dan B. Frankel

Jill Vecchio – Designee for Representative Paul Schemel

**Executive Staff**

Seth Kelly

N. Joseph Marcucci

Sara McSurdy

Terrill Sanchez

## **MINUTES of the SERS Board Meeting Thursday, March 25, 2021**

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### 1. CALL TO ORDER

Chair Fillman called the meeting to order at 4:05 p.m.

### 2. WELCOME AND ROLL CALL

Executive Director Terri Sanchez conducted a roll call of board members and designees who were on the Microsoft TEAMS meeting.

### 3. ADOPTION OF THE AGENDA

#### **MOTION: 2021-09**

By motion that was moved, seconded, and approved by board members, it was

**RESOLVED:** That the board adopts the agenda for the March 25, 2021, board meeting.

### 4. COMMITTEE REPORTS/ACTION ITEMS

Finance and Member Services and Defined Contribution Combined Committee

Committee Chair Soderberg provided reports of the Finance and Member Services Committee and the Defined Contribution Committee to the board. The reports were accepted by the board along with the following motions:

#### DEFERRED COMPENSATION PLAN FEES AND EXPENSES

##### **MOTION: 2021-10**

By motion that was moved, seconded, and approved by board members, it was

**RESOLVED:** That the board accepts the recommendation of the Finance and Member Services Committee, as authorized by Section 4521.2 of the Fiscal Code, to:

- (1) reduce the current monthly third-party administrator fee for the participants of the Deferred Compensation Plan from \$4.95 to \$4.65, effective July 1, 2021, and
- (2) assess all participants of the Deferred Compensation Plan whose account balance exceeds \$5,000, a separate fee, for board expenses to administer the Deferred Compensation Plan, consisting of:
  - (a) a monthly flat fee of \$1; plus
  - (b) an annual asset-based fee calculated as 2 basis points of the account value and not to exceed \$50 annually, with both the flat fee and the appropriate portion of the asset-based fee to be withheld on a monthly basis from individual investment accounts, effective July 1, 2021.

#### DEFERRED COMPENSATION PLAN FEES AND EXPENSES

##### **MOTION: 2021-11**

By motion that was moved, seconded, and approved by board members, it was

**RESOLVED:** That the board accepts the recommendation of the Finance and Member Services Committee to direct the staff of the Deferred Compensation Plan to draft proposed conforming amendments to the Fifth Amended and Restated Deferred Compensation Plan for Officers and Employees of the Commonwealth of Pennsylvania document and the Third Amended and Restated Trust Declaration for the Deferred Compensation Plan for Officers and Employees of the Commonwealth of Pennsylvania document to reflect the board's decision to charge participants the approved fees for board expenses and to present the proposed amendments to the board at its June, 2021, meeting.

DEFERRED COMPENSATION PLAN FEES AND EXPENSES

**MOTION: 2021-12**

By motion that was moved, seconded, and approved by board members, it was

**RESOLVED:** That the board accepts the recommendation of the Finance and Member Services Committee to direct the staff of the Deferred Compensation Plan to work with its investment consultant to develop a proposed fee policy for establishing and periodically reviewing fees and adjusting such fees as needed and to present the proposed fee policy to the board in conjunction with the 2023-2024 budget cycle.

5. OLD BUSINESS - NONE

6. NEW BUSINESS

Board member, Representative Schemel presented a motion to the full board that was not moved out of the Finance and Member Services Committee. The motion read as follows:

DEFINED CONTRIBUTION PLAN FEES AND EXPENSES

**MOTION: 2021-13**

By motion that was moved and seconded; it was

**RESOLVED:** That the Board, as authorized by the State Employees' Retirement Code and in coordination with the Defined Contribution Plan's third-party administrator, to:

- (1) assess each defined contribution plan active participant and inactive participant on leave without pay a monthly third-party administrator fee of \$4.65 to be withheld from individual investment accounts, effective July 1, 2021.

The motion **FAILED** to pass with a vote of 2 YEAs and 8 NOs.

7. SPECIAL PRESENTATION - NONE

8. REPORTS OF EXECUTIVE DIRECTOR AND AGENCY STAFF - NONE

9. EXECUTIVE SESSION - NONE

10. BOARD COMMENTS/ANNOUNCEMENTS/DATES TO REMEMBER

The next regular meeting of the SERS board is scheduled for April 28, 2021.

11. MOTION TO ADJOURN

**MOTION: 2021-14**

By motion of Chair Fillman, the board unanimously agreed to adjourn the meeting at 4:30 p.m.

Respectfully submitted,



Terrill (Terri) J. Sanchez  
Executive Director